



Agri-News



Iowa Agricultural Statistics Service

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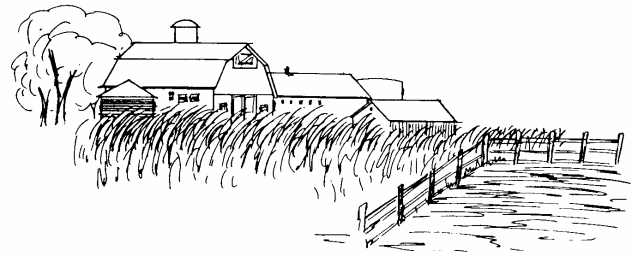
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HIGHLIGHTS

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Cash Farm Income, By Commodities, Iowa

Commodity	Cash farm income ¹			Sources of cash farm income		
	2000	2001	2002	2000	2001	2002
	----- 1,000 dollars -----			----- Percent -----		
Crops						
Corn	2,632,991	2,589,019	3,259,178	24.6	24.3	30.1
Soybeans	2,102,622	1,889,300	2,260,345	19.6	17.7	20.9
Hay	105,387	128,895	120,990	1.0	1.2	1.1
Oats	6,540	7,958	10,567	0.1	0.1	0.1
Wheat	2,199	2,554	2,798	2/	2/	2/
Vegetable Crops	14,835	15,555	15,555	0.1	0.1	0.1
Fruits and nuts	3,967	3,505	3,057	2/	2/	2/
Other Crops ⁴	7,707	9,319	9,119	0.1	0.1	0.1
Nursery, greenhouse	72,914	81,545	77,498	0.7	0.8	0.7
Crops total	4,949,162	4,727,650	5,759,107	46.2	44.4	53.2
Livestock and livestock products						
Hogs	3,072,456	3,121,306	2,424,603	28.7	29.3	22.4
Cattle and calves	1,848,265	1,824,202	1,764,565	17.3	17.1	16.3
Sheep and lambs	24,700	23,470	22,777	0.2	0.2	0.2
Dairy products	455,247	550,368	459,086	4.3	5.2	4.2
Chicken Eggs	241,099	282,458	283,261	2.3	2.7	2.6
Farm chickens	123	43	42	2/	2/	2/
Other poultry	88,641	97,156	92,828	0.8	0.9	0.9
Other livestock ⁵	26,101	26,728	27,592	0.2	0.3	0.3
Livestock total	5,756,632	5,925,731	5,074,754	53.8	55.6	46.8
Crops and livestock⁶	10,705,794	10,653,382	10,833,861			
Government payments³	2,302,094	1,971,677	737,107			
Grand total⁶	13,007,888	12,625,059	11,570,967			

¹ "Cash farm income" relates to the value of quantities of each product sold off the farm. These data show the direct income from crops sold. Income from crops fed to livestock is included as part of livestock income. ² Less than 0.1%. ³ Includes agricultural conservation, price adjustment payments to farmers, and agricultural production and practice payments. ⁴ Includes seeds, Christmas trees, mushrooms, forest products and other field crops. ⁵ Includes honey, horses, mules, wool, mink pelts and all other livestock. ⁶ Totals may not add due to rounding.

ECONOMIST CORNER

*Livestock by John Lawrence
and*

Grains by Robert Wisner

Iowa Cooperative Extension Service - Ames

LIVESTOCK

The cattle market has been surprisingly strong this summer. After dipping to the \$74-75 range in early July, prices returned to the upper \$70s by the end of the month. At least part of this strength is due to the halt of Canadian beef and cattle imports from the U.S. and likely increased demand from U.S. exports customers. U.S. cattle slaughter has been high and cattle have been marketed earlier and at lighter weights than normal, leaving fewer cattle for the weeks ahead. Fed cattle prices are forecast to remain in the mid-upper \$70s through the remainder of the summer. Lower prices may occur when the border opens, but the impact will be less than earlier thought as Canada is catching up on slaughter and has increased domestic consumption to move their product.

The hog market has also been impacted by the Canadian border closing. With a beef surplus in Canada, their pork and hogs are flowing to the U.S. in greater numbers than expected. U.S. slaughter is beginning to decline relative to a year ago and prices are significantly higher than late summer 2002 when they dipped below \$20 in August. Lower feed costs will encourage heavier carcass weights pressuring prices. Prices this summer are forecast to stay above \$40, but prices below \$40 are expected during the 4th quarter.

GRAIN

Global crop prospects present a mixed picture for 2003-04 grain supplies. Good to excellent crop prospects in much of the U.S. Corn Belt are being partially offset by severe winter-kill and drought in the Ukraine, as well as less than ideal conditions in Russia and Kazakhstan and recent hot dry weather in Europe. Feed grain production is expected to be moderately below last year in these regions, but the big change is expected to be in wheat, with wheat exports from former Soviet republics expected to be about 625 million bushels less than in 2002-03. A significant part of these exports have been feed wheat that competes with corn in world markets.

Rainfall in the Chinese corn/soybean belt through mid-July showed the potential for average or better yields. These prospects, in aggregate, suggest U.S. corn exports are likely to increase at least modestly in 2003-04. Even so, improved U.S. crop prospects point toward increased corn carryover stocks and 12 to 14 percent lower prices in 2003-04 than in the year just ending.

Average Prices Received by Farmers for Farm Products

Item	Unit	IOWA			U.S.	
		July ¹ 2002	June ¹ 2003	July ² 2003	June ¹ 2003	July ² 2003
----- Dollars -----						
Corn	bu	2.03	2.27	2.00	2.34	2.09
Oats	bu	1.70	1.75	1.55	1.84	1.72
Soybeans	bu	5.26	6.11	5.80	6.09	5.84
Alfalfa, baled	ton	85.00	76.00	74.00	98.90	92.70
All hay, baled	ton	83.00	74.00	74.00	94.60	89.00
All hogs	cwt	41.40	43.20	39.30	45.00	42.00
Sows	cwt	21.40	32.70	38.00	30.40	33.60
Barrows & Gilts	cwt	41.80	43.40	39.30	45.80	42.50
Beef cattle	cwt	60.10	75.10	73.80	74.90	74.30
Cows	cwt	35.50	42.50	44.50	42.00	44.30
Steers & Heifers	cwt	60.60	75.80	74.40	78.70	77.60
Calves	cwt	83.70	95.40	96.00	102.00	103.00
Milk cows ³	hd	1,560	--	1,330	--	1,310
All milk	cwt	10.80	11.20	12.00	11.10	11.80
Sheep	cwt	25.50	34.50	--	30.30	--
Lambs	cwt	81.10	97.90	--	96.70	--
Eggs (mkt)	doz	.268	.446	.480	.499	.524

¹ Corn, oats, soybeans, all hogs, all cattle, all sheep, and milk are whole-month prices. All hay and eggs are mid-month prices. ² All prices are mid-month. ³ Prices published January, April, July, and October.

Price Index Summary Table

Prices Received	IOWA			UNITED STATES		
	July 2002	June 2003	July ¹ 2003	July 2002	June 2003	July ¹ 2003
1990-92=100 ²						
Prices rec'd.	89	100	93	99	107	104
Crops	93	105	96	109	117	108
Lvstk Prods.	84	94	91	88	99	100
1910-14=100 ³						
Prices rec'd.	--	--	--	626	683	659
Crops	--	--	--	537	578	533
Lvstk Prods.	--	--	--	678	760	765

¹ Preliminary. ² 1990-92=100 reference replaced 1977=100 in January 1995. ³ Iowa figures for 1910-14=100 base not available.

U.S. Prices Paid Index Summary

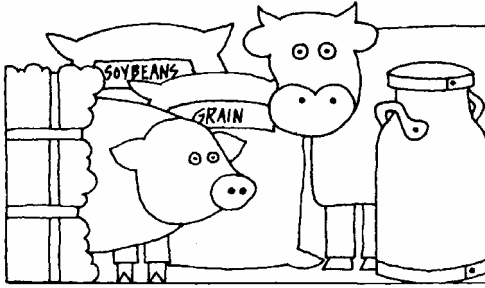
Prices Paid	July 2002	June 2003	July 2003	July 2002	June 2003	July 2003
	1990-92=100			1910-14=100		
Prices paid ¹	123	128	127	1640	1698	1697
Feed	114	115	113	556	562	553
Ratio ²	80	84	82	38	40	39

¹ Prices paid by farmers for commodities and services, interest, taxes, and farm wage rates. ² Ratio of index of prices received to index of prices paid for commodities and services, interest, taxes, and farm wage rates.

Annual Agricultural Prices

Iowa's 2002 preliminary market year average prices for soybeans, corn and oats are estimated at \$5.40, \$2.25 and \$1.70 per bushel, respectively. These estimates indicate Iowa growers will receive 24 percent, 18 percent and 10 percent more per bushel for soybeans, corn and oats, respectively, compared to last year.

The market year average price Iowa farmers received for all hogs fell 26 percent in 2002 from 2001. The all cattle price dropped nearly 10 percent to \$65.80 from its 2001 average of \$72.80.



Market Year Average Prices Received by Farmers for Farm Products

Item	Unit	Iowa		U.S.	
		2001	2002 ¹	2001	2002 ¹
----- Dollars -----					
Corn	bu.	1.90	2.25	1.97	2.35
Oats	bu.	1.54	1.70	1.59	1.81
Soybeans	bu.	4.35	5.40	4.38	5.40
Alfalfa, baled	ton	91.00	86.00	104.00	102.00
All hay, baled	ton	89.50	84.50	96.50	94.00
All hogs	cwt.	46.30	34.20	44.30	33.40
Sows	cwt.	37.80	26.10	34.90	22.80
Barrows & Gilts	cwt.	46.50	34.50	44.90	34.00
Beef cattle	cwt.	72.80	65.80	71.30	66.50
Cows	cwt.	42.40	36.90	40.90	37.30
Steers & Heifers	cwt.	73.10	66.40	75.10	70.10
Calves	cwt.	100.00	89.10	106.00	96.40
Milk cows	hd.	1,410	1,500	1,500	1,600
All milk	cwt.	14.70	12.20	15.04	12.19
Sheep	cwt.	33.20	29.00	34.60	28.20
Lambs	cwt.	64.40	72.10	66.90	74.10
Eggs (mkt.)	doz.	.365	.319	.454	.411
Turkeys	lb.	.35	.36	.390	.365

¹ Preliminary.

Monthly Cash Receipts From Farm Marketings, Iowa

Month and Annual	Crops				Livestock & Products				Total Receipts			
	2001		2002 ¹		2001		2002 ¹		2001		2002 ¹	
	Total Receipts	% of Annual Total	Total Receipts	% of Annual Total	Total Receipts	% of Annual Total	Total Receipts	% of Annual Total	Total Receipts	% of Annual Total	Total Receipts	% of Annual Total
	1,000 \$\$		1,000 \$\$		1,000 \$\$		1,000 \$\$		1,000 \$\$		1,000 \$\$	
Jan.	626,992	13.3	548,479	9.5	476,581	8.0	413,890	8.2	1,103,573	10.4	962,369	8.9
Feb.	244,801	5.2	342,665	5.9	460,848	7.8	412,236	8.1	705,649	6.6	754,901	7.0
Mar.	309,628	6.5	439,244	7.6	523,807	8.8	395,457	7.8	833,436	7.8	834,701	7.7
Apr.	317,079	6.7	357,481	6.2	545,838	9.2	428,813	8.4	862,917	8.1	786,294	7.3
May	284,258	6.0	363,860	6.3	399,233	6.7	393,857	7.8	683,491	6.4	757,717	7.0
June	293,382	6.2	347,767	6.0	501,700	8.5	404,469	8.0	795,081	7.5	752,236	6.9
July	470,774	10.0	499,011	8.7	517,132	8.7	413,679	8.2	987,906	9.3	912,690	8.4
Aug.	412,853	8.7	479,858	8.3	414,424	7.0	435,487	8.6	827,277	7.8	915,345	8.4
Sep.	271,362	5.7	392,494	6.8	516,766	8.7	447,755	8.8	788,127	7.4	840,250	7.8
Oct.	559,267	11.8	760,067	13.2	551,325	9.3	424,666	8.4	1,110,592	10.4	1,184,733	10.9
Nov.	585,741	12.4	818,373	14.2	488,681	8.2	459,319	9.1	1,074,422	10.1	1,277,693	11.8
Dec.	351,513	7.4	409,807	7.1	529,398	8.9	445,126	8.8	880,911	8.3	854,932	7.9
Annual ²	4,727,650	100.0	5,759,106	100.0	5,925,733	100.0	5,074,754	100.0	10,653,382	100.0	10,833,861	100.0

¹ Preliminary. ² May not add due to rounding.



Monthly Hogs and Pigs

United States: The June 2003 U.S. pig crop at 8.25 million head, was 3 percent below the previous year. Sows farrowing during this period totaled 926 thousand head, 4 percent below last year. The average pigs per litter for June increased to 8.91, compared to 8.89 last year.

The U.S. inventory of sows and gilts on July 1, 2003, was 5.76 million head, down 4 percent from July 1, 2002.

U.S. sows and gilts bred during June totaled 1.14 million head, down 3 percent from the previous year.

Monthly Farrowings: Number of Sows, Pigs per Litter, and Pig Crop, United States, December-November 2002-2003^{1, 2}

Month	Sows Farrowing		Pigs per Litter		Pig Crop	
	2002	2003	2002	2003	2002	2003
	<i>1,000 Head</i>		<i>Number</i>		<i>1,000 Head</i>	
December	923	908	8.66	8.75	7,994	7,943
January	946	931	8.73	8.82	8,257	8,211
February	967	928	8.83	8.86	8,543	8,220
March	978	938	8.80	8.85	8,608	8,301
April	983	942	8.85	8.88	8,700	8,365
May	982	941	8.81	8.91	8,651	8,387
June	960	926	8.89	8.91	8,537	8,250
July	968		8.89		8,609	
August	959		8.92		8,554	
September	951		8.85		8,416	
October	940		8.83		8,300	
November	926		8.83		8,176	
Total	11,483		8.83		101,344	

¹December preceding year. ²Monthly values may not add to quarterly or annual totals due to rounding.

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